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Democracy: a False and Vicious Idea

by Hans-Hermann Hoppe

Imagine a world government, democratically elected according to the principle of one-man-one-vote. What would be the probable outcome of an election? We would get a Chinese-Indian coalition government. And what would this government most likely decide to do to satisfy its supporters and be re-elected? It would probably find that the Western world had far too much wealth and the rest of the world, in particular China and India, had far too little, and hence, it would enact a systematic wealth and income redistribution from the rich West to the poor East.

Or imagine, just in the United States, that the right to vote were extended to seven-year-olds. While the government would probably not be made up of children, its policies most likely would reflect the "legitimate concerns" of children to have "adequate" and "equal" access to "free" hamburgers, lemonade, and videos.

These thought experiments illustrate the consequences which have resulted from the process of democratization, which began in Europe and the U.S. in the second half of the 19th century and has come to fruition since the end of World War I. The successive expansion of the franchise and finally the establishment of universal adult suffrage did within each country what a world democracy would do for the entire globe: it set in motion a seemingly permanent tendency toward wealth and income redistribution.

One-man-one-vote combined with "free entry" into government, i.e., democracy, implies that every person and his personal property is up for grabs by everyone else. By seemingly opening the corridors of political power to everyone, democracy creates a "tragedy of the commons" for political power, wherein no one wishes it to be restricted since he, or those favorable to him, may someday get a chance to wield it. In contrast, in the "absolute" monarchies of the West, those not in the ruling class had little or no chance of entering it, and thus, they stridently opposed any advance of the monarch's power.

In democracies, however, it can be expected that majorities of "have-nots" will relentlessly try to enrich themselves at the expense of minorities of "haves." This is not to say that there will be only one class of "have-nots" and one class of "haves," and that the redistribution will be uniformly from the rich to the poor. To the contrary, while the redistribution from rich to poor will always play a prominent role everywhere, it would be a sociological blunder to assume that it will be the sole or even the prominent form of redistribution. After all, the "permanently" rich and the "permanently" poor are usually rich or poor for a reason.

The rich are characteristically bright and industrious, and the poor typically dull, lazy, or both. It is not very likely that dullards, even if they make up a majority, will systematically outsmart and enrich them-

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P.C. Watch

Return?

Government is neglecting its duty of "external defense," writes Paul Johnson in the London (i.e., real) *Spectator*, by "failing to control immigration. A nation's integrity can be destroyed not just by invasion but by demographic penetration on a large scale—that is precisely what finished the Roman Empire in the West."

"Race riots are now common in Britain" and "they will occur whenever black racist leaders want them to occur." Some immigration to Britain has been successful, but "as in the United States," Afro-Caribbean has not. "The evidence summarized in Charles Murray's *The Bell Curve* suggests why."

In Britain and the U.S., affirmative action has only made things worse "by undermining the principle of equality before the law. Worse, the official practice of positive discrimination in favor of non-whites has legitimized the emer-

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gence of black racism, which is now a formidable presence in our midst."

"Black racists can never be happy in Britain. I have already suggested a scheme whereby people from Hong Kong should be allowed to purchase full citizenship here, the money being used to finance the repatriation of unhappy blacks to the Caribbean or Africa." And, indeed, the "logical end of black racism is back to Africa."

Such a repatriation program would be very expensive. But so is "the cost of underwriting the existing mess, especially now that black racists have taken to burning down and looting their neighborhoods whenever they feel like it."

Religious Freedom

A Southeast Asian witch doctor who clubbed a three-month old German Shepherd puppy to death is up on animal cruelty charges in Fresno, Cal. (*Arizona Republic*, 12/19/95).

Chia Thai Moua, a Hmong tribesman, says the charges violate his religious liberty, and that he only resorted to killing the dog when other religious ceremonies, including burning money and sacrificing a chicken, failed to cure his wife.

"We love dogs," said Shur Vangyi, deputy city manager of Fresno for Southeast Asian affairs. "They are a very dear pet to us too. But "sometimes we have to kill dogs to cure our souls."

Initiation

A woman and her slightly built 15-year-old son were walking near the shopping mall in Albany, Georgia, in early January when a muscular black boy assaulted the white boy with brass knuckles, beating him senseless as the frantic mother screamed. Only the presence of a policeman nearby saved the white boy's life, although he is in intensive care with serious head and other injuries.

Why the attack? One of the local black gangs has as its initiation rite, the beating to death of a white boy. You will not read about this in the *New York Times*, although you can imagine the reaction if some white gang's initiation involved killing blacks. After all, the alleged rude remark of a white high school principal in Wedowee, Ala., was international news for months.

Hold It, Hold It

"If the author of 'Waiting To Exhale' had been a Caucasian," writes Selimah Nemoy to the *New York Times* (1/8/96), we'd be seeing a protest greater than 'The Last Temptation of Christ.'

"I am dumbfounded as to how, according to 'For Black Women, a Movie Stirs Breathless Excitement' (front page, Dec. 31), so many African-American women think this is a positive (let alone accurate) portrayal of ourselves.

"The women in the movie based on Terry McMillan's novel, though educated and beautiful, are portrayed as clueless harlots whose worlds revolve negatively (and unrealistically) around men. African-American men are portrayed as selfish, stupid louts interested only in themselves and chasing white women."

Crime of the Century

San Francisco police are asking for help in solving a crime wave, in which at least two men had a burning chemical poured on their genitals in a porno shop. There may be "other victims out there who would like to come forward," said Inspector Ken King.

"The store at Geary and Polk streets offers private viewing booths where men watch a short pornographic movie for a quarter. Small holes have been drilled between the booths to allow customers to engage in sex acts with neighboring patrons."

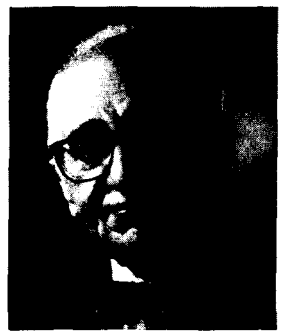
"Sometimes it's prearranged, sometimes it's not," said King. "They stick their dinky through the hole expecting wonderful things to happen." Instead, "the victims felt a painful burning sensation caused by a caustic chemical. Their sex lives will be impaired for weeks to come," said King. "It's an alternative lifestyle, and there's nothing wrong with that," said King. (*San Francisco Examiner*, 12/22/95)

Barbie P.C.

The Mattel toy company was criticized last year for making "only" 10% of its holiday Barbie dolls black, and 90% white. So this year, it raised the black figure to 40%. The result was a shortage of white Barbies, and an excess of black ones. Who's to blame? A racist company and society, of course. (*San Francisco Examiner*, 12/18/95)

"I'm No Longer Donald"

"Donald McCloskey is now officially Deirdre McCloskey," reports Charles Bullard in the *DesMoines Sunday Register* (11/26/95).



Dean of the Austrian School of economics, founder of modern libertarianism, and restorer of the Old Right, Murray N. Rothbard (1926-1995) was a one-man army of liberty. The *RRR* is inspired by his spirit, and dedicated to his vision.

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McCloskey, an economist famous for his hatred of Murray N. Rothbard, "disclosed plans earlier this month to undergo a sex change operation and become a woman." He also divorced the "mother of the couple's two grown children."

"McCloskey considered himself a heterosexual cross-dresser until Aug. 20. Then 'I realized I'm a woman with this extremely inconvenient history and plumbing. I started to cry because it was so powerful, so overwhelming to realize. I thought I was a guy in a dress for a long time.'"

The professor "plans to have cosmetic surgery on her face next month in San Francisco in an effort to look more feminine. McCloskey, who is six feet tall, also had her ears pierced and underwent 120 hours of painful electrolysis to eliminate the beard that Donald wore for many years."

"'All of this is not about...being glamorous,' the professor warned. 'It's about not causing a commotion on the street. It's about being able to go to the bathroom without being hassled.' When she wears one of her size 12 dresses and puts on her wig, makeup, jewelry, hose, high heels, and prosthetic breasts, McCloskey says about half the people she passes on the street accept her as a woman."■

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selves at the expense of a minority of bright and energetic individuals. Rather, most redistribution will take place *within* the group of the "non-poor," and frequently it will actually be the better-off who succeed in having themselves subsidized by the worse-off. Just think of the almost universal practice of offering a "free" university education, whereby the working-class, whose children rarely attend universities, is made to pay for the education of middle-class children.

Moreover, it can be expected that there will be many competing groups and coalitions trying to gain at the expense of others. There will be various changing criteria defining what it is that makes one person a "have" (deserving to be looted) and another a "have-not" (deserving to loot). At the same time, individuals will be members of a multitude of groups of "haves" and "have-nots," losing on account of one of their characteristics and gaining on account of another, with some individuals ending up net-losers and others net-winners of redistribution.

The recognition of democracy as a machinery of popular wealth and income redistribution in conjunction with one of the most fundamental principles in economics—that one will end up getting more of whatever is being subsidized—provides the key to understanding the present age.

Democracy subsidizes the malingerers, the neurotics, the alcoholics, the drug addicts, the AIDS-infected, and the physically and mentally "challenged"

All redistribution, regardless of the criterion on which it is based, involves taking from the original owners and producers (the "havers" of something) and giving to non-owners and non-producers (the "non-havers" of something). The incentive to be an original owner or producer of the thing in question is reduced, and the incentive to be a non-owner and non-producer is raised.

Accordingly, as a result of subsidizing individuals because they are poor, there will be more poverty. In subsidizing people because they are unemployed, more unemployment will be created. Supporting single mothers out of tax funds will lead to an increase in single motherhood, illegitimacy, and divorce.

In some cases, these policies can work at cross purposes. In outlawing child labor, income is transferred from families with children to the childless (as a result of the legal restriction on the supply of labor, wage rates will rise). Accordingly, the birthrate will fall. On the other hand, by subsidizing the education of children, income is transferred from the childless and those with few children to those with many children. As a result the birthrate will increase. Yet because of the so-called Social Security System, the value of children will again fall, and birthrates will decline; for in subsidizing retirees out of taxes imposed on current income earners, the institution of the family—the intergenerational bond between parents, grandparents, and children—is systematically weakened.

The old need no longer rely on the assistance of their children if they have made no provision for their old age and the young (with typically less accumulated wealth) must support the old (with typically more accumulated wealth) rather than the other way around, as is normal within families. Parents' desire for children and children's desire for parents will decline, family breakups and dysfunctional families will increase, and saving and capital formation will fall while consumption rises.

In subsidizing the malingerers, the neurotics, the careless, the alcoholics, the drug addicts, the AIDS-infected, and the physically and mentally "challenged" through insurance regulation, there will be more illness, malingering, neuroticism, carelessness, alcoholism, drug addiction, AIDS infection, and physical and mental retardation.

By forcing non-criminals, including the victims of crime, to pay for the imprisonment of criminals

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(rather than making criminals compensate their victims and pay the full cost of their own apprehension and incarceration), crime will increase.

By forcing businessmen, through "affirmative action" and "non-discrimination" programs, to employ more women, homosexuals, blacks, or other "minorities" than they would like to, there will be more employed minorities, fewer employers and fewer male, heterosexual, and white employment.

By compelling private land owners to protect, i.e., subsidize, "endangered species" residing on their land through environmental legislation, there will be more and better-off animals, and fewer and worse-off humans.

Most importantly, by compelling private property owners and market income earners, i.e., producers, to subsidize politicians, political parties, and civil servants (politicians and government employees cannot pay taxes but *must be paid* out of taxes), there will be less wealth formation, fewer producers and less productivity, and ever more waste, parasites, and parasitism.

The idea of democracy is immoral as well as uneconomical.

After less than a hundred years of democracy and redistribution, the predictable results are in. The "reserve fund" of wealth and capital inherited from past centuries of productive activity under a relatively free market is nearly exhausted. For several decades, since the late 1960s or early 1970s, real standards of living have stagnated or even fallen in the West. The public debt and the cost of the existing social security and health care systems have brought on the prospect of an imminent economic collapse. At the same time, almost every form of undesirable behavior—unemployment, welfare dependency, negligence, recklessness, incivility, psychopathy, hedonism, and crime—has increased, and social conflict and societal breakdown have risen to dangerous heights. If current trends continue, it is safe to say that the Western welfare state, i.e., social democracy, will collapse just as Eastern, i.e., Russian-style socialism, collapsed in the late 1980s.

Unfortunately, economic collapse does not automatically lead to improvement. Matters can become worse rather than better. What is necessary once a crisis arrives are ideas—and men capable of understanding and implementing them when the opportunity arises. Ultimately, the course of history is determined by ideas, be they true or false, and by men inspired to act upon them.

The current mess is also the result of ideas. It is the result of the overwhelming acceptance, by public opinion, of the idea of democracy. As long as this acceptance prevails, a catastrophe will be unavoidable, and there will be no hope for improvement even after its arrival. On the other hand, once the idea of democracy is recognized as false and vicious—and ideas can, in principle, be changed almost instantaneously—a catastrophe can be avoided.

The central task ahead for those wanting to turn the tide and prevent an outright breakdown of civilization is the de-legitimation of the idea of democracy, i.e., to demonstrate democracy as the root cause of the present state of progressive de-civilization. To this purpose, one should first point out that it is difficult to find many proponents of democracy in the history of political theory. Almost all major thinkers had nothing but contempt for democracy. Even the Founding Fathers, nowadays, mistakenly, considered defenders of democracy, were strictly opposed to it. Without a single exception, they agreed with Aristotle that democracy is nothing but mob-rule. They preferred Thomas Jefferson's theory of "natural aristocracy" of which they considered themselves members and accordingly they advocated an aristocratic republic.

Even among the few theoretical defenders of democracy in the history of political thought, such as Rousseau, it is almost impossible to find anyone advocating democracy for anything but extremely small communities. Indeed, in villages or towns, where everyone knows everyone else personally, most people cannot but acknowledge that the position of the "haves" is typically based on their superior personal achievement just as the position of the "have-nots" finds its typical explanation in their personal deficiencies and inferiority. Under these circumstances, it is far more difficult to get away with trying to loot other people and their personal property to one's advantage. In distinct contrast, in large territories encompassing millions or even hundreds of millions of people, where the potential looters do not know their victims, and vice versa, the human desire to enrich oneself at another's expense is subject to little or no restraint.

More importantly, it must be made clear again that the idea of democracy is immoral as well as uneconomical. As for the moral status of majority rule, it must be pointed out that it allows for A and B to band together to loot C, C and A in turn joining to loot B, and then B and C conspiring against A, etc. This is not justice but a moral outrage, and rather than treating democracy and democrats with respect, they should be treated with open contempt and ridiculed as moral frauds.

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Kristol's Christmas Present

by Llewellyn H. Rockwell, Jr.

Christmas has become our most contentious holiday, partly because it's so public, with trees, carols, movies, etc. As for Christians who want to celebrate this season the way their parents did, they are yearly reminded of how culturally marginal their faith has become.

The media treat people who celebrate Christmas as a tiny minority, like Buddhists. They used to say: Put Christ back in Christmas. Now they would have to say, put Christmas back into the Holiday Season. And when the dread word Christmas is used, it is always in conjunction with Kwanza or the Winter Solstice.

In large cities, we can't say "Merry Christmas" without seeming to make a political statement. Ah, the holiday spirit. It's become the season to offend Christians, to drum them out of public life, and to see how far they can be pushed before they explode. Last year, it was the season for *Time* to tell us that Jesus Christ was a humanitarian but nothing more.

This year, the *New York Times* treated us to a special "holiday" issue of its Sunday Magazine featuring an article on the birth of Jesus, and all the events that surrounded it. It's a great story, the article said, but a fake one, of course.

Wasn't the *Wall Street Journal* an exception? Didn't it run a pro-Christian right article on the op-ed page by Irving Kristol? It's true he extolled the legitimacy of the Christian right (courts have unfairly attacked public religious displays, etc.). But you had to make it to the end of the piece before you got to the real point.

As an aside, notice that the neoconservatives reject the phrase "Christian right" in favor of "conservative Christian." Paleos, on the other hand, understand that there is little about the decadent and statist present that is worth conserving, and that any movement worthy of our praise should regard the term "right" as a badge of honor. Thus the phrase "Christian right" is fine by us.

Let's look at the real meaning and purpose of Kristol's "defense" of Christian political activism. In the early part of the essay, he points out that most of the issues that inspire the Christian right (abortion, pornography, and school prayer) were once controlled by local option. If a community wanted things a certain way, they were done that way. Minority interests had to live with it, and social peace prevailed.

The media treat people who celebrate Christmas as a tiny minority, like Buddhists.

Then the decisions were centralized in the federal courts, so that no community could ban pornography or abortion or permit prayer. The Christians who object, he writes, are "the defendants in this culture war we are living through, not the aggressors." So far, so good.

Then other shoe drops—as it usually does in the *Journal's* editorial pages—about two thirds of the way through Kristol's piece. It is here when he details the alleged problems with the Christian right. First, it lets the issue of abortion "dominate" its agenda. Second, it wants creationism taught in biology class. And third, it doesn't discriminate "among the pornographic, the bawdy, and the erotic."

Unlike Mr. Kristol, I'm not going to presume to have all the answers to the creation vs. evolution debate. But I do know that there are plenty of serious people who doubt the official evolution story. Anyone even faintly familiar with the debate knows this is not simply a question of science vs. theology. Besides, the activists who campaign against high school biology texts are not campaigning against science. They object to having secular humanism taught to their kids under the *guise* of science.

As for porn, it's not the Christian right that can't distinguish between Boticelli and *Hustler*. It's the left that tells us both are forms of expression, ergo art, and that there is no essential difference. Recall that they called the Mapplethorpe exhibit a wonderful display of artistic virtuosity when it included pictures so indescribably grotesque that no major media outlets have yet described them, let alone reproduced them.

Look at any left-wing journal of opinion, or the sculptures littering the city halls of major cities, and it's clear that it's the left, not the right, that confuses art with trash. Dip into the debate on evolution and it's clear that it's the left that uses science to advance a particular view of God, namely that He doesn't exist. But not in Mr. Kristol's mind. His supposed defense of Christian political activists includes painting them as anti-science fanatics who would ban *Sports Illustrated*.

In making these criticisms, of course, Mr. Kristol is working from, and even endorsing, the stereotype promoted by the liberal media, as when the *Washington Post* said that evangelicals are poor, uneducated, and easy to lead. Moreover, there's a more fundamental problem at work in Mr. Kristol's essay.

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The one reason Mr. Kristol provides for liking the Christian right is that its members oppose the centralization of government decision making. But on the very issues on which these people are presently active, he offers friendly advice that the issues be dropped. Why doesn't this make him a political ally of the left?

Having misidentified the problem as the Christian right, as opposed to the central state that gave rise to it, and having chastised activists for caring too much about core issues, Mr. Kristol refuses to offer any real way out of the present dilemma. The Christian Coalition, mostly under neocon influence, has made the terrible decision to demand national legislation to advance its sell-outy view of morality. But that's not what Mr. Kristol is addressing. His complaint is with the rank and file activists on the local level.

These are the people who get involved in school boards and city councils. Their primary interest is in creating a decent community in which to raise their kids. The activists in Montgomery are less concerned with what kids in Pittsburgh are taught in school. They rightly view curriculum as the business of local parents.

The same is true of the bulk of anti-abortion activists. The contingent that would like to see the UN ban abortion worldwide is relatively small and not even vaguely right-wing. Rank and file activists are mostly consumed with keeping the abortionists out of their community, and, when they're there, picketing them and trying to prevent women from paying these ghouls to abort their children.

But Mr. Kristol tells us that "religious conservatives have to face the fact that America is not going to become a 21st century version of 'Our Town.'" Maybe, but we won't find out until we stop the central state from taxing our families, regulating our businesses, poisoning our individual cultures, and imposing alien values on our communities.

To do that requires activism, not with *Journal*-imposed constraints. The worst mistake these activists could make is to be as "mature, politically and intellectually," as Mr. Kristol demands. That is code for gutting their program of any ideas and politics that upset the neocons.

Contrary to Mr. Kristol's implication, the real vision of the Christian right is self-government.

The key is Mr. Kristol's emphasis on getting "leadership" to guide the Christian right through the culture wars. Just who would that leadership be, Irving?

Contrary to Mr. Kristol's implication, the real vision of the Christian right is self-government, not the imposition of a centralized theocratic regime. He knows it, and it's what bothers him the most. The long-term goal of the neocons in this area has been to complete their takeover of Christian political activism, shifting it from a paleo to a social democratic outlook. Such a takeover can only be averted by understanding the real purpose of the "defenses" of the Christian right offered by the *Wall Street Journal*.

Only the left once whipped up hysteria based on half truths and untruths about the faith of the mass of the American people. The surprise isn't that the king of the neocons would agree with the left; it's that he'd try to pass if off as a defense, on the eve of Christmas. ■

Militarism vs. Freedom

by Greg Pavlik

The year 1900 was one of those grand moments when American politics was clear and to the point. The war against Spain had brought the Philippines, Cuba, and Puerto Rico under American control. In 1899, the Senate voted to ratify the treaty by which Spain formally relinquished its holdings to the United States. Unlike today, dissent was loud and angry. Intellectual opposition to U.S. imperialism had catapulted into the spotlight with the support of figures like Mark Twain and Yale sociologist William Graham Sumner, who perhaps best expressed the anti-imperialists views with regard to the war. Said Sumner: "The question of imperialism... is the question whether we are going to give the lie to the origin of our own national existence by establishing a colonial system of the old Spanish type, even if we have to sacrifice our existing civil and political system to do it."

The anti-imperialist, anti-militarist movement had its political voice as well. William Jennings Bryan, Democratic candidate for president—and his running mate, Adlai Stevenson—sought to make imperialism the principle issue of the election. The Democratic Party platform declared: "We oppose militarism. It means conquest abroad and intimidation and oppression at home. It means the strong arm which has ever been fatal to free institutions. It is what millions of our citizens have fled from Europe."

The Democrats were right: there is no room for a free polity and a free market in a garrison state. Their platform reflected a central truth of the Anglo-American liber-

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tarian tradition, which is why McKinley coasted to victory with full support of the big business-big finance establishment whose interest rested with the emerging state-managed economy. The hated Bryan went down to defeat, and with him went the American isolationist impulse that had swept the country. The Republican alternative consolidated and expanded the defining characteristics of the 20th-century American state: militarism and the controlled economy.

Indeed, the economic system that was taking shape at the turn of the century is the same economic system that America is saddled with today. The essential features include a vast regulatory apparatus designed with the intention of suppressing competition and consolidating power in large capitalist conglomerates; domestic and foreign "aid" for consumers of goods supplied by big business; a wall of protective tariffs designed to stifle competition for the privileged few while the rest of the economy is subjected to the rigors of the market; and government "contracts" for development of high-tech industries that provide direct subsidies for big business, discourage independent entrepreneurial investment, and protect big business from the costs and risks of innovation. While the system has evolved since the days when J. Pierpont Morgan dominated U.S. economic life, it remains unchanged in its essential respects.

The corporate liberal order—like so much else bad in contemporary American life—has its roots in the war against the South and the presidency of Abraham Lincoln in at least two fundamental respects. It is remarkable the extent to which that war was the origin of vast capital accumulation for the pioneers of state capitalism. As Michael Lind points out in his interesting new book, "Morgan, as a young man financed arms manufacturers. John D. Rockefeller underwrote the consolidation of the nascent oil industry with the help of profits from the government contracts. Philip Armour used the money he made from supplying the Union troops to make Chicago the center of the meat packing industry. The federal government, through subsidies and land grants to railroads, contributed to the founding of great fortunes like those of the Vanderbilts and Harrimans; Leland Stanford, for example, grew rich from federal and state subsidies to the Central Pacific Railroad."

More importantly, the government of the post-Civil War United States was run by big business interests who dominated the Republican Party then—as now—and who created the new controlled economy that came into being over the decades following the war. The post-war political fortunes of the Republican Party were intimately linked with the Northeastern elites. As Lind also makes clear: "Wall Street lawyers, bankers, and corporate executives were so influential in the U.S. government during the late nineteenth century that Manhattan could almost be described as the political capital of the United States... The history of the federal administrative elite, especially in the period of maximum Republican hegemony in national politics between 1896 and 1932, is the story of a small number of Northeastern families." By 1914, J. Bradford De Long estimates that the House of Morgan controlled 40% of American "financial, industrial, and commercial capital."

The war on the Confederacy set a precedent for U.S. foreign policy, post 1861.

Since his earliest days as a politician, Lincoln was deeply committed to government interventionism on behalf of Northeastern industrial interests. Having crushed the Southern planter elites under heel, the big business interests that pulled Lincoln's strings faced no effective opposition to expanding the developing corporate-state apparatus across the country. By using military force to crush the political opposition of competing economic interests, the war on the Confederacy set a precedent for U.S. foreign policy, post 1861.

From the time of McKinley, the consolidation of economic control through the state was aided and abetted by the Progressive movement, which served as a front for the Northeastern elites. The regulatory movements, more often than not, were initiated by big business interests, a fact that underlay much of the radical analysis of New Left historians a few decades ago. In industry after industry, the progressive "reformers" pushed through a legislative agenda that served to cartelize the economy along the lines that would be followed by the European fascists. In fact, many of those business interests most enthusiastic about the American corporate state were bowled over by Mussolini. The July 1932 issue of *Fortune*, in particular, pointed to the source of the affinity: "The corporate state is to Mussolini what the New Deal is to Roosevelt." The New Deal has to be understood in this context as the culmination of decades of anti-competitive developments.

When war broke out in Europe in 1914, the American economy quickly fell under the sway of what has been called "war socialism," which turned out to be boon for both big business and big government. Bernard Baruch, who headed the War Industries Board, later bragged that "we helped inter the extreme dogma of laissez faire." And so it

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was. According to Gabriel Kolko, "It was during the war that effective, working oligopoly and price and market agreements became operational in the dominant sectors of the American economy. The rapid diffusion of power in the economy and relatively easy entry virtually ceased. Despite the cessation of important new legislative enactments, the unity of business and the federal government continued throughout the 1920s and thereafter, using the foundations laid in the Progressive Era to stabilize and consolidate" the economy.

This pretty much was the pattern in national economic life leading into World War II. The economic ties between business and the military developed in the war carried over into the following decades. Since that time, we have had a development entirely unique in the American experience: a permanent war economy based on the Soviet bogey.

In fact, it doesn't make sense to speak of the World War II and the Cold War as separate conflicts. This was an insight of the Old Right, whose opposition to the Cold War makes sense primarily as a continuation of opposition to the trends they opposed in the Second World War. This fact was mirrored in the continuity of the foreign policy of the War Party in the United States—the Roosevelt-Truman-Buckley axis of American politics. In fact, the principle divide between the Old Right and the new Cold War conservatives was over militarism, contemporary smears of racism and antisemitism not withstanding. John T. Flynn, for instance, was more vitriolic in his opposition to the Cold War than in his opposition to World War II.

For Flynn, both wars were "rackets" that carried forth the "three great facts" characterizing 20th-century American life: "the controlled society, the national debt, and militarism." In fact, Flynn was one of the first to see the relationship between the corporate state ("the controlled society") and militarism. The menace of a war-based economy was also the theme of George Orwell's great novel *1948*, the title of which was changed by the publisher to obscure the fact that the book was meant to be understood as a critique of contemporary America when it was written.

The principle divide between the Old Right and the new Cold War conservatives was over militarism.

This view was, of course, in sharp contrast to the Buckleyite endorsement of a "totalitarian bureaucracy on our shores" *for the duration of the Cold War*. Buckley and his cohorts left unexplained two issues raised by their recommendations. First, *how* would the seemingly permanent class of bureaucrats, technocrats, capitalists, scientists, and administrators created or nourished under the burgeoning military-industrial complex be discharged from their current functions? Secondly—and more importantly—*why* would we expect this to be a readily dismantleable system of organization? Any bureaucracy is bound to be self-interested. And self-interest demands resistance to dismantlement. There was no reason to believe that the army of bureaucrats and industrial concerns dependent on direct or indirect state subsidy would acquiesce to the end of the military-state-corporate alliance.

In any case, the maintenance of a military establishment diverts resources from the market economy and contributes to an overall reduction in living standards. The structure of production is distorted, taxation is increased, regulation inevitably ensues. Satisfaction of consumer wants is sacrificed on behalf of the military organization.

But the peculiar size and form of the Cold War defense establishment added a new twist to the mixed economy, which was cheered on by industrial concerns eager for funding at levels formerly unimaginable. By the end of the 80s, the U.S. defense establishment was the third largest government-managed economy in the world—trailing only the Soviet Union and China.

Unlike an industrial policy that concentrated on the production of consumer goods, the defense economy produced absolutely worthless high-tech weaponry. And, each time a weapon was produced, a new weapon was proposed to outgun the current technology. A vicious and wasteful cycle was created via funds extorted from the U.S. taxpayer. That sum reached a staggering amount of at least $10.5 trillion. There is no way to know the total monetary cost. Defense spending was shrouded in secrecy since the Manhattan Project, an illegal operation of the presidency totally secret from Congress. Other costs are buried. Funding for nuclear weapons falls under the Department of Energy and much of the space program has defense applications, for example. Foreign aid. Intelligence. The list goes on. The opportunity cost of the Cold War is incalculable.

Industries based on mass consumption suffered as the "gunbelt" industries thrived. Ann Markusen and Joel Yudken (*Dismantling the Cold War Economy*) have documented the incredible shift in domestic economic priorities. While manufacturing declined, defense-based companies grew fat off the public trough. Entire generations shifted their educational decisions to take advantage of high-paying jobs in the military economy.

Approximately 50% of the current federal debt is a direct result of the Reagan arms-build-up ostensi-

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bly aimed at the shambling corpse of the Soviet Union. The current federal debt stands at approximately $5 trillion. That means that the Reagan military build-up costs somewhere in the area of $2.5 trillion, to be paid for in years to come by onerously high taxes and inflation.

The alternative—private investment in the consumer economy—would have left Americans infinitely better off. And, although the CIA consistently distorted its intelligence reports with regard to Russia, the truth eventually was too obvious to deny. The Reagan administration reacted by suppressing all evidence of the true state of the Soviet economy.

On a macroeconomic level, the Reagan revolution was an unprecedented pursuit of Keynesian-style spending on our unofficial industrial policy. From an economic perspective, the Democrats were the *conservative* opposition, worrying about the consequences of the mad policies of virtually unlimited debt spending pushed successfully by the Reaganuts.

The claim that the collapse of the Soviet Union was a vindication of Reagan is not true. The collapse of the Soviet Union *is* a vindication of Ludwig von Mises, who had long ago shown that a socialist economy was doomed by its inability to allocate resources in the absence of a market price system. The prize for winning the Cold War by "peace through strength policies" was the privilege to be the last to go bankrupt.

Like John Flynn, Major General Smedley Butler also damned war as a racket, for which the "public shoulders the bills." When all is said and done, Butler said, "This bill renders a horrible accounting. Newly placed gravestones. Mangled bodies. Shattered minds. Broken hearts and homes. Economic instability. Depression and all its attendant miseries. Back breaking taxation for generation and generation."

The fact is that there is no essential discontinuity in pre-Cold War, Cold War, and post-Cold War interventionism. The only difference now lies in the weakening of the rationale of defending the "free world." Although the half million Iraqis conservatively estimated to have been killed in the Gulf slaughter were still able to benefit from our defense of democracy and human rights, to the horror of U.S. planners, the specter of pathetic, rag-tag Third World armies aren't about to get anyone whipped up and ready to die.

There is no longer anyone to pretend to fight. We ought to withdraw our forces from around the world and if we can't safely beat our patriot missiles into plowshares, at least scrap them and begin to rebuild a market economy. Instead, U.S. elites are busy making up new and increasingly absurd pretexts for intervention, militarism, and the military-industrial complex.

The Reagan revolution was an unprecedented pursuit of Keynesian-style spending on our unofficial industrial policy.

Nowhere has this been more clearly articulated than in a recent guest editorial in *The Wall Street Journal* by Zoë Baird, president Clinton's initial choice for U.S. Attorney General. Ms. Baird is a member of the President's Foreign Intelligence Advisory Board and of the Congressional Commission on Intelligence. Her comments, if in fact Ms. Baird played any role in the authorship of the piece, can be taken as an accurate reflection of elite thinking within the federal government.

According to Ms. Baird, "ever since the threat of the Soviet Union collapsed, we have been searching for an American interest to drive our foreign policy." Note the phrasing: Ms. Baird refers to the collapse of "the threat of the Soviet Union" rather than the collapse of the Soviet Union itself. There is a clear implication that U.S. foreign policy independent of the external "threat." The "enemy" is only necessary in so far as it keeps the public in line with policy that they naturally would oppose. "Polls show that 3% of Americans feel foreign policy is important, but 95% or more consider crime a critical national interest." The answer to this "crisis"? A new policy where "[m]atters previously thought of as crimes or law enforcement problems are understood as threats to national security. Domestic policy and global policy become overlapping."

Ms. Baird's proposals include new powers for the FBI to act "as more of an intelligence agency as well as a domestic investigative agency" and for the United Nations to engage in intelligence, presumably against international and domestic "criminals." The term "criminal" is never defined, but if the crime team of Boutras-Boutras Ghali and Bill Clinton have their way, it would probably apply to everyone reading this—merely for reading it.

Ms. Baird's article dubs "isolationist tendencies" a "fundamental crisis." Her proposed solution is to find "a new language and justification for many foreign policy initiatives rooted in domestic security." The total emphasis on a public lexicon evoking new hobgoblins illustrates the truth of Harry Elmer Barnes's observation: "the stratagem [necessary to maintain the perpetual war system] can only work if the masses are kept at a fever heat of fear and excitement and are effectively prevented from learning that the wars are actually phony." Its another indication that U.S. planners have

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taken to heart John Foster Dulles's recommendation that the American people be kept "artificially alarmed."

This is a far cry from the Democrat Party of 1900. And its a far cry from the traditional Anglo-American opposition to militarism that characterized the early Republic—a tradition that can be traced back at least as far as the days of Alfred the Great. Liberal Jeffersonians and arch-conservatives were both suspicious of a military establishment, favoring instead the ancient citizen's militia. The defensive nature of the militia was pronounced enough that attempts to conscript the militia into the regular army for offensive wars was one of the leading factors that led to open revolt against the Stuart kings.

"A military government may make a nation great, but it cannot make them free."

Although James Madison conceded that a government must be able to defend itself, he wrote "that the liberties of Rome proved the final victim to her military triumphs; and that the liberties of Europe, as far as they existed, have, with few exceptions, been the price of her military establishment." Jefferson declared that he was for "relying, for internal defense, on our militia solely, till actual invasion... and not for a standing army in time of peace...and not for a navy, which, by its own expenses and the eternal wars in which it will implicate us, will grind us with public burthens, & sink us under them."

The High Federalist Fisher Ames said simply: "a military government may make a nation great, but it cannot make them free." That is now the principle choice we face: greatness or freedom.

Mr. Pavlik is associate editor of The Freeman.

Isolationism

by Paul Gottfried

A People That Shall Dwell Alone (Praeger, $57.95) is the first part of a two-volume series by the psychologist-anthropologist Kevin MacDonald, on the themes of Jewish self-segregation and antisemitism. The second part of the series, *Separation and Its Discontents: Toward an Evolutionary Theory of Anti-Semitism* is scheduled to be published by Praeger later in the year. Though MacDonald in both volumes presents his Jewish subjects as an illustration of genetic strategizing, clearly he is courting controversy by his examples and his method of inquiry. Judaism, as seen by MacDonald, is a body of dietary and social prohibitions aimed at and maintaining Jewish genetic and cultural unity. MacDonald documents this assertion in exhaustive detail.

Starting with the Tanakh, which he notes was compiled with a knowledge of a recent Jewish exile in Babylonia and the prohibitions against mingling with other peoples from the age of Ezra and Nehemiah, MacDonald investigates the theme of national separatism in Jewish literature and history. In Rabbinic texts, from the Misnah and Tosefta down to the final redaction of the Babylonian Talmud in the sixth century, MacDonald finds an even more fully developed program for Jewish separation, combining prohibitions against intercourse with foreign peoples and comments about the innately polluted character of the gentile.

MacDonald notes the importance of the concept of the Jews as a "priestly people" in structuring this separatist mindset. Attached to the Jewish hereditary priesthood (*Kohanim*) were prohibitions intended to guard it against ritual pollution. Jewish priests were not allowed to come into contact with a dead body or with female menstruation or marry a ritually unfit woman, that is, one who had been divorced, widowed, or descended from a gentile. The idea popular among the Proplati and later in Rabbinic sources that the entire Jewish nation should view itself as priests in its practice of ritual purity supported the national tendency toward complete isolation from other peoples. Jews isolated themselves from dealings with ritually impure gentiles in the same way that their priestly class stood apart from ordinary Israelites—and *a fortiori* even less pure gentiles.

There is a shocking and brutal honesty shown by MacDonald in approaching his subject. One by one he directs all the standard apologetics used by Jews for centuries to make it appear that their group is both universalist in outreach and altruistic toward other nations. He marshals texts to prove that Rabbinic Judaism instills genetic loathing for gentiles intended to prevent any possibility of interbreeding. And he notes that while conversion to Judaism has always been possible, the Rabbis made it painfully difficult (requiring circumcision for male converts) and warned against the seeping through of alien cultures represented by gentile converts. They also treated converts as genetically different, discouraging intermarriage between them and genetically pure Jews.

Syrian Jews categorically prohibit intermarriage with descendants of converts, except in the case of bastards who were unfit to marry other Israelites. MacDonald notes the social distinctions that prevailed in traditional Jewish communities, between the Rabbinic class at the

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top and the *am haratzim*, or day laborers at the bottom.

Jews were obsessively concerned about genealogy (*yichus*) in planning marriages for their children and social alliances for themselves. Within their own communities they shared the same genetic concerns as those that resulted in the wall of separation between themselves and the outside world. They created their own hereditary aristocracy of ritual-legal authorities, who had nothing to do with hard labor or tilling the soil. MacDonald properly notes that the absence of a Jewish agriculture class resulted not only from a ban on Jewish ownership of land in the Middle Ages but from a widespread Jewish contempt for peasants. He cites to good effect the neoconservative Jewish apologist Raphael Patai, who contrasts his own family in Eastern Hungary to the surrounding peasant population. Though Patai sets out to glorify his ultra-orthodox antecedents, he merely illustrates MacDonald's argument: by expressing traditional Jewish loathing for the peasant class while attributing to his own segregated group the reverse positive qualities.

MacDonald outlines the competition for resources engaged in by Jewish communities in the face of hostile outgroups. Underlying this competition was the application of a double standard: maintaining a collectivist and altruistic ethos within the Jewish community while treating the outside world as subject to different rules: namely, competition, the freedom from the moral order to which most Jews adhere when dealing within their own group, and individual initiative.

Again MacDonald is right to notice the confirmation of this distinction even in modern Jewish attitudes. The political and cultural positions which modern Jews typically support for Western Christian societies are diametrically opposed to those that have prevailed in Jewish communal life. Extreme sexual discipline, well-defined gender roles, ethnic loyalty, and a totally programmed social existence were conditions Jews found necessary for their own ethnic survival, but they are not the ones which Jews have accepted as good for their host nations.

In dealings with outgroups, Jews have encouraged openness, individuality, universalism, and more recently, sexual experimentation. Though MacDonald does not make this point, it seems apparent that this Jewish strategy of the double standard, in its contemporary form, may be backfiring. The predominance of Jewish feminism and the stridency and visibility of Jewish gays suggests that what was intended for outgroup consumption has begun to erode Jewish communal existence.

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Another point related to this outgroup strategy is the attempt by Jewish communal leaders and Jewish journalists to downplay Jewish nationality, even while affirming it repeatedly. MacDonald quotes the Zionist and politically liberal Jewish spokesman Arthur Hertzberg that "Jews in all ages were essentially a nation and...all other factions profoundly important to the life of this people, even religion, were mainly instrumental values."

The point here, as MacDonald observes, is that Jews try to have it both ways...and because of their aggressiveness and competitive intelligence have largely succeeded. Thus it is now politically ruinous in the United States or Western Europe for a public figure, other than a Zionist fundraiser, to notice the obvious: that Jews are held together far more by ethnic loyalty and devotion to an Israeli nation state than by credal formulas.

Indeed the sponsorship of Israeli causes and the celebration of civic holidays has become the centerpiece of Jewish communal life; and an entire modern Orthodox Judaism has sprung up in the U.S. featuring Israeli irredentist politics and the affirmation of Jewish national identity. Yet, it is socially and politically inadmissible for public figures to notice that being Jewish is somehow a different kind of identity from being Methodist. It is even perilous to speak of a Jewish vote, though Jewish organizations collect and distribute money to "influence" politicians.

Despite the courageous scholarship that pervades MacDonald's work, at least three of his points are open to critical doubt. First, he is too dismissive of the real theological differences that divide the Judaic-Islamic and Christian worlds. For Jews and Muslims, the Chris-

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tian Trinity is a deviation from the strict monotheism in defense of which Jews and Muslims have been ready to sacrifice their lives. While Jews have not been as theological as the Christian legatees of classical civilization, they have been steadfast in accepting an inconvenient concept of the unicity of God. And they have died for that belief, even when the more useful genetic strategy would have been to embrace Christianity, at least outwardly, and, like the Spanish conversos, create their own Jewish-Christian lineage.

Two, MacDonald may have an exaggeratedly high opinion of Jewish eugenic success. Though Jews at the present time score higher than other Caucasoids and almost all Asians on the verbal understanding part of the I.Q. test, MacDonald's genetic explanation is not entirely satisfactory.

There is no reason to assume that a majority of the Jewish youngsters taking these tests are descended from Rabbinic dynasties. Most may in fact come from *am haratzim*, the Jewish common folk who might in fact have been more intelligent than those who taught ritual prescriptions. It was their common folk who had to muddle through in a hostile environment, by exploiting their wit.

There is also an indisputable social factor that accounts for the recent, spectacular rise of Askenazic (really Eastern European) Jews into the America's cognitive and professional elite. Eastern European Jews have tried harder (even in comparison to my own Central European Jewish forebears) to make it up the social ladder. And their kids are prepped to take intelligence and achievement tests from grade school on. While Jews certainly possess high natural skills, they are also aggressive in pursuing success, a quality that bears on I.Q. performance.

Finally some questions must be raised about the high rate of Jewish intermarriage in contemporary America in terms of MacDonald's view of Judaism. Why do so many children of Eastern European Jews, those descended from the least Westernized and most anti-Christian of all Jewish immigrations to America, now choose non-Jewish marriage partners almost half the time?

Jewish ethnic interest and Jewish politics are by no means identical.

Modern Jews have apparently become enamored of the liberal ideas that once they reserved for the outgroups. They have taken for themselves the universalist, feminist, and individualist tenets that earlier generations of Jews had proclaimed in order to neutralize gentile collective consciousness and (it was hoped) antisemitism. The distinction between strategy and belief may have disappeared over time.

This leads to one last observation about MacDonald's view of the Jewish strategy for neutralizing the outgroup's collective consciousness. MacDonald treats this strategy as unkind but also consistently rational, and he clearly believes that Jews can survive and prosper as a group while social breakdown rages around them. In his unpublished second volume, he makes it appear as if Jewish parents can still effectively invest in their offspring while supporting radical social positions outside their homes.

To the extent Jewish parents believe they can do both, they are behaving foolishly: their advocacy of social liberalism must have repercussions on their own families. The spread of homosexuality, anti-natal feminism, and adolescent rebellion in American Jewish society suggests that the outgroup strategy, if one is being pursued, is obviously irrational in terms of Jewish genetic survival.

A strategy that would be rational with regard to this end is the Orthodox Jewish emphasis on Jewish self-segregation, cultural as well as biological. The Orthodox Jewish community has no interest in what gentiles do, except insofar as it affects Israeli geopolitics or their own material and physical security. Though MacDonald perceptively outlines the Jewish strategy for group survival, it is important to distinguish between what groups do in their real interest and what they merely pretend to be doing on behalf of that interest.

It can of course be argued that Jews favor policies leading to the disintegration of Christian society, without thinking that it will affect them adversely, as a non-Christian ethnic group. They may also do so as individuals trying to advance themselves in an alien culture. But in the first case they are exercising defective judgment and in the second behaving like individuals and not as the promoters of a collective interest.

In any case it may be useful to distinguish between the *rational* pursuit of Jewish interest in remaining a people cohesively apart and what Jews do politically. By now American Jewish efforts to protect Jews from a Christian menace may no longer serve a rational group end. Like Stanley Rothman, I believe such behavior has become pathological and is fueled by the persistence of an enemy stereotype that has less and less to do with reality. Fighting this stereotype of an enemy has not benefited Jews either individually or collectively, and has in fact harmed Jewish and American society. Jewish ethnic interest and Jewish politics are by no means identical.■

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